

AMENDMENT TO COMMITTEE PRINT **#4**

OFFERED BY MR. ENGEL OF NEW YORK, **MR. SHADEGG**  
**OF ARIZONA AND MR. WEINER OF NEW YORK**

At the end of the bill, insert the following new title:

1       **TITLE II—UNITED STATES-**  
2       **ISRAEL ENERGY COOPERATION**

3       **SEC. 201. SHORT TITLE.**

4       This title may be cited as the “United States-Israel  
5       Energy Cooperation Act”.

6       **SEC. 202. FINDINGS.**

7       Congress finds that—

8               (1) it is in the highest national security inter-  
9       ests of the United States to ensure secure access to  
10      reliable energy sources;

11              (2) the United States relies heavily on the for-  
12      eign supply of crude oil to meet the energy needs of  
13      the United States, currently importing 58 percent of  
14      the total oil requirements of the United States, of  
15      which 45 percent comes from member states of the  
16      Organization of Petroleum Exporting Countries  
17      (OPEC);

18              (3) revenues from the sale of oil by some of  
19      these countries directly or indirectly provide funding

1 for terrorism and propaganda hostile to the values  
2 of the United States and the West;

3 (4) in the past, these countries have manipu-  
4 lated the dependence of the United States on the oil  
5 supplies of these countries to exert undue influence  
6 on United States policy, as during the embargo of  
7 OPEC during 1973 on the sale of oil to the United  
8 States, which became a major factor in the ensuing  
9 recession;

10 (5) research by the Energy Information Admin-  
11 istration of the Department of Energy has shown  
12 that the dependence of the United States on foreign  
13 oil will increase by 33 percent over the next 20  
14 years;

15 (6) a rise in the price of imported oil sufficient  
16 to increase gasoline prices by 10 cents per gallon at  
17 the pump would result in an additional outflow of  
18 \$18,000,000,000 from the United States to oil-ex-  
19 porting nations;

20 (7) for economic and national security reasons,  
21 the United States should reduce, as soon as prac-  
22 ticable, the dependence of the United States on na-  
23 tions that do not share the interests and values of  
24 the United States;

1 (8) the State of Israel has been a steadfast ally  
2 and a close friend of the United States since the cre-  
3 ation of Israel in 1948;

4 (9) like the United States, Israel is a democracy  
5 that holds civil rights and liberties in the highest re-  
6 gard and is a proponent of the democratic values of  
7 peace, freedom, and justice;

8 (10) cooperation between the United States and  
9 Israel on such projects as the development of the  
10 Arrow Missile has resulted in mutual benefits to  
11 United States and Israeli security;

12 (11) the special relationship between Israel and  
13 the United States has been and continues to be  
14 manifested in a variety of jointly-funded cooperative  
15 programs in the field of scientific research and de-  
16 velopment, such as—

17 (A) the United States-Israel Binational  
18 Science Foundation (BSF);

19 (B) the Israel-United States Binational  
20 Agricultural Research and Development Fund  
21 (BARD); and

22 (C) the Israel-United States Binational In-  
23 dustrial Research and Development (BIRD)  
24 Foundation;

1           (12) these programs, supported by the match-  
2   ing contributions from the Government of Israel and  
3   the Government of the United States and directed  
4   by key scientists and academics from both countries,  
5   have made possible many scientific breakthroughs in  
6   the fields of life sciences, medicine, bioengineering,  
7   agriculture, biotechnology, communications, and oth-  
8   ers;

9           (13) on February 1, 1996, United States Sec-  
10   retary of Energy Hazel R. O'Leary and Israeli Min-  
11   ister of Energy and Infrastructure Gonen Segev  
12   signed the Agreement Between the Department of  
13   Energy of the United States of America and the  
14   Ministry of Energy and Infrastructure of Israel Con-  
15   cerning Energy Cooperation, to establish a frame-  
16   work for collaboration between the United States  
17   and Israel in energy research and development ac-  
18   tivities;

19          (14) the United States and Israeli governments  
20   should promote cooperation in a broad range of  
21   projects designed to enhance supplies of nonpetro-  
22   leum energy for both countries, and to provide for  
23   cutting edge research in each country;

1 (15) Israeli scientists and researchers have long  
2 been at the forefront of research and development in  
3 the field of alternative renewable energy sources;

4 (16) many of the top corporations of the world  
5 have recognized the technological and scientific ex-  
6 pertise of Israel by locating important research and  
7 development facilities in Israel;

8 (17) among the technological breakthroughs  
9 made by Israeli scientists and researchers in the  
10 field of alternative, renewable energy sources are—

11 (A) the development of a cathode that uses  
12 hexavalent iron salts that accept 3 electrons per  
13 ion and enable rechargeable batteries to provide  
14 3 times as much electricity as existing recharge-  
15 able batteries;

16 (B) the development of a technique that  
17 vastly increases the efficiency of using solar en-  
18 ergy to generate hydrogen for use in energy  
19 cells; and

20 (C) the development of a novel membrane  
21 used in new and powerful direct-oxidant fuel  
22 cells that is capable of competing favorably with  
23 hydrogen fuel cells and traditional internal com-  
24 bustion engines; and

1 (18) cooperation between the United States and  
2 Israel in the field of research and development of al-  
3 ternative renewable energy sources would be in the  
4 interests of both countries, and both countries stand  
5 to gain much from such cooperation.

6 **SEC. 203. GRANT PROGRAM.**

7 (a) **AUTHORITY.**—Pursuant to the responsibilities de-  
8 scribed in section 102(10), (14), and (17) of the Depart-  
9 ment of Energy Organization Act (42 U.S.C. 7112(10),  
10 (14), and (17)) and section 103(9) of the Energy Reorga-  
11 nization Act of 1974 (42 U.S.C. 5813(9)), the Secretary,  
12 in consultation with the BIRD or BSF, shall award grants  
13 to eligible entities.

14 (b) **APPLICATION.**—

15 (1) **SUBMISSION OF APPLICATIONS.**—To receive  
16 a grant under this section, an eligible entity shall  
17 submit an application to the Secretary containing  
18 such information and assurances as the Secretary, in  
19 consultation with the BIRD or BSF, may require.

20 (2) **SELECTION OF ELIGIBLE ENTITIES.**—The  
21 Secretary, in consultation with the Directors of the  
22 BIRD and BSF, may review any application sub-  
23 mitted by any eligible entity and select any eligible  
24 entity meeting criteria established by the Secretary,

1 in consultation with the Advisory Board, for a grant  
2 under this section.

3 (c) AMOUNT OF GRANT.—The amount of each grant  
4 awarded for a fiscal year under this section shall be deter-  
5 mined by the Secretary, in consultation with the BIRD  
6 or BSF.

7 (d) RECOUPMENT.—

8 (1) IN GENERAL.—Not later than 180 days  
9 after the date of enactment of this Act, the Sec-  
10 retary shall establish procedures and criteria for  
11 recoupment in connection with any eligible project  
12 carried out by an eligible entity that receives a grant  
13 under this section, which has led to the development  
14 of a product or process which is marketed or used.

15 (2) AMOUNT REQUIRED.—

16 (A) Except as provided in subparagraph  
17 (B), such recoupment shall be required as a  
18 condition for award and be proportional to the  
19 Federal share of the costs of such project, and  
20 shall be derived from the proceeds of royalties  
21 or licensing fees received in connection with  
22 such product or process.

23 (B) In the case where a product or process  
24 is used by the recipient of a grant under this  
25 section for the production and sale of its own

1 products or processes, the recoupment shall  
2 consist of a payment equivalent to the payment  
3 which would be made under subparagraph (A).

4 (3) WAIVER.—The Secretary may at any time  
5 waive or defer all or some of the recoupment re-  
6 quirements of this subsection as necessary, depend-  
7 ing on—

8 (A) the commercial competitiveness of the  
9 entity or entities developing or using the prod-  
10 uct or process;

11 (B) the profitability of the project; and

12 (C) the commercial viability of the product  
13 or process utilized.

14 (e) PRIVATE FUNDS.—The Secretary may accept  
15 contributions of funds from private sources to carry out  
16 this title.

17 (f) OFFICE OF ENERGY EFFICIENCY AND RENEW-  
18 ABLE ENERGY.—The Secretary shall carry out this sec-  
19 tion through the existing programs at the Office of Energy  
20 Efficiency and Renewable Energy.

21 (g) REPORT.—Not later than 180 days after receiv-  
22 ing a grant under this section, each recipient shall submit  
23 a report to the Secretary—

24 (1) documenting how the recipient used the  
25 grant funds; and



1 (2) evaluating the level of success of each  
2 project funded by the grant.

3 **SEC. 204. INTERNATIONAL ENERGY ADVISORY BOARD.**

4 (a) **ESTABLISHMENT.**—There is established in the  
5 Department of Energy an International Energy Advisory  
6 Board.

7 (b) **DUTIES.**—The Advisory Board shall advise the  
8 Secretary on—

9 (1) criteria for the recipients of grants awarded  
10 under section 203(a);

11 (2) the total amount of grant money to be  
12 awarded to all grantees selected by the Secretary, in  
13 consultation with the BIRD; and

14 (3) the total amount of grant money to be  
15 awarded to all grantees selected by the Secretary, in  
16 consultation with the BSF, for each fiscal year.

17 (c) **MEMBERSHIP.**—

18 (1) **COMPOSITION.**—The Advisory Board shall  
19 be composed of—

20 (A) 1 member appointed by the Secretary  
21 of Commerce;

22 (B) 1 member appointed by the Secretary  
23 of Energy; and

24 (C) 2 members who shall be Israeli citi-  
25 zens, appointed by the Secretary of Energy

1 after consultation with appropriate officials in  
2 the Israeli Government.

3 (2) DEADLINE FOR APPOINTMENTS.—The ini-  
4 tial appointments under paragraph (1) shall be  
5 made not later than 60 days after the date of enact-  
6 ment of this Act.

7 (3) TERM.—Each member of the Advisory  
8 Board shall be appointed for a term of 4 years.

9 (4) VACANCIES.—A vacancy on the Advisory  
10 Board shall be filled in the manner in which the  
11 original appointment was made.

12 (5) BASIC PAY.—

13 (A) COMPENSATION.—A member of the  
14 Advisory Board shall serve without pay.

15 (B) TRAVEL EXPENSES.—Each member of  
16 the Advisory Board shall receive travel ex-  
17 penses, including per diem in lieu of subsist-  
18 ence, in accordance with applicable provisions of  
19 subchapter I of chapter 57 of title 5, United  
20 States Code.

21 (6) QUORUM.—Three members of the Advisory  
22 Board shall constitute a quorum.

23 (7) CHAIRPERSON.—The Chairperson of the  
24 Advisory Board shall be designated by the Secretary  
25 of Energy at the time of the appointment.

1 (8) MEETINGS.—The Advisory Board shall  
2 meet at least once annually at the call of the Chair-  
3 person.

4 (d) TERMINATION.—Section 14(a)(2)(B) of the Fed-  
5 eral Advisory Committee Act (5 U.S.C. App.) shall not  
6 apply to the Advisory Board.

7 SEC. 205. DEFINITIONS.

8 In this title:

9 (1) ADVISORY BOARD.—The term “Advisory  
10 Board” means the International Energy Advisory  
11 Board established by section 204(a).

12 (2) BIRD.—The term “BIRD” means the  
13 Israel-United States Binational Industrial Research  
14 and Development Foundation.

15 (3) BSF.—The term “BSF” means the United  
16 States-Israel Binational Science Foundation.

17 (4) ELIGIBLE ENTITY.—The term “eligible enti-  
18 ty” means a joint venture comprised of both Israeli  
19 and United States private business entities or a joint  
20 venture comprised of both Israeli academic persons  
21 (who reside and work in Israel) and United States  
22 academic persons, that—

23 (A) carries out an eligible project; and

24 (B) is selected by the Secretary, in con-  
25 sultation with the BIRD or BSF, using the cri-

1       teria established by the Secretary, in consulta-  
2       tion with the Advisory Board.

3       (5) ELIGIBLE PROJECT.—The term “eligible  
4       project” means a project to encourage cooperation  
5       between the United States and Israel on research,  
6       development, or commercialization of alternative en-  
7       ergy, improved energy efficiency, or renewable en-  
8       ergy sources.

9       (6) SECRETARY.—The term “Secretary” means  
10      the Secretary of Energy, acting through the Assist-  
11      ant Secretary of Energy for Energy Efficiency and  
12      Renewable Energy.

13   **SEC. 206. TERMINATION.**

14      The grant program authorized under section 203 and  
15      the Advisory Board shall terminate upon the expiration  
16      of the 7-year period which begins on the date of the enact-  
17      ment of this Act.

18   **SEC. 207. AUTHORIZATION OF APPROPRIATIONS.**

19      The Secretary is authorized to expend not more than  
20      \$20,000,000 to carry out this title for each of fiscal years  
21      2008 through 2014 from funds previously authorized to  
22      the Office of Energy Efficiency and Renewable Energy.

23   **SEC. 208. CONSTITUTIONAL AUTHORITY.**

24      The Constitutional authority on which this title rests  
25      is the power of Congress to regulate commerce with for-

1 eign nations as enumerated in Article I, Section 8 of the  
2 United States Constitution.

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